MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.

Edmund P. Kemp

Director, Program Policy Division Bureau of Medicaid Policy and Actuarial Services

Project October 26, Proposed January 1, 2007

Mail Comments to: Cindy Linn

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Policy Subject: Change to CSHCS Payment Agreement Policy

Affected Programs: Children's Special Health Care Services (CSHCS)

Distribution: Local Health Departments

Policy Summary: When the family of a deceased client notifies CSHCS that the payment agreement was paid in advance beyond what would have been paid through evenly distributed monthly payments, MDCH prorates the monthly amount related to the coverage period. The family is reimbursed the pro-rated amount for the period for which the client is no longer covered due to death.

Proposed Policy Draft

Michigan Department of Community Health Medical Services Administration

Distribution: Local Health Departments

Issued: December 1, 2006 (Proposed)

Subject: Change to CSHCS Payment Agreement Policy

Effective: January 1, 2007 (Proposed)

Programs Affected: Children's Special Health Care Services (CSHCS)

Effective January 1, 2007, when the death of a client occurs during the client's CSHCS coverage period and the family has a payment agreement, a notice is sent to the family that the unpaid balance is forgiven. When the family notifies CSHCS that the payment agreement has been paid in advance, MDCH pro-rates the monthly amount related to the coverage period for which the client is no longer covered due to death. The family is reimbursed the pro-rated amount.

When more than one member of a family has CSHCS coverage, the payment agreement remains intact for the family member(s) for whom CSHCS coverage continues.